

SUBCOMMITTEE ON TRANSPORTATION

of the

ECONOMIC INTELLIGENCE COMMITTEE

Review of Activities and Accomplishments During Fiscal Year 1957

A. Activities of the TSC During Fiscal Year 1957

1. Review of the Intelligence Product

No formal program has been established to review the adequacy of the transportation intelligence product. However, the joint research activities of the Transportation Capabilities Estimating Group and TSC review of inter-agency research projects have been beneficial in assuring adequate production efforts on such subjects as agreed basic transportation statistics, and the development of specific research techniques for uniform methodologies for determining rail, port, inland waterway, and highway capabilities. It has been agreed that the Subcommittee on Transportation (TSC) will review reports prepared by the Transportation Capabilities Estimating Group which are pertinent to the mission of the Economic Intelligence Committee (EIC), and that such reports will be published as EIC reports.

2. Research and Collection Deficiencies

a. Research Deficiencies

During Fiscal Year 1957, the Army continued its work in preparation of priority research and collection deficiencies on the European Satellites.

The Secretariat concluded its review of the Air Force paper on research and collection deficiencies for civil air, and this draft was circulated to the TSC membership for review and comment.

Details on progress and plans for the resolution of priority research deficiencies are presented in Annex A to this report.

b. Collection Deficiencies

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Members of the TSC discussed the IAC post-mortem on HIE 13-56 and reviewed their outstanding requirements and planned research programs to determine the extent to which they would resolve existing deficiencies.

### 3. Review of Substantive Papers

The only substantive paper reviewed by the TSC during Fiscal Year 1957 was the first draft of a revised paper, "Capability of the Trans-Siberian Railroad and Connecting Lines in Manchuria and North Korea." This paper is now in the hands of Army, Air Force, and CIA representatives to the TSC for resolution of differences resulting from the dissent of the CIA member. To date this group has been unable to reach agreement.

The TSC membership continued its close liaison and coordination of research programs, particularly those projects concerned with the annual estimate on Chinese Communist capabilities, and the transport section of EIC-RI-86, "Communist China's 1956 Trade and the Transport Involved."

### 4. Review of External Research Proposals.

The TSC reviewed and prepared comments on an Air Force external research proposal, "Development of Space, Time and Movement Factors for an Economic-Military Model."

### 5. Maintenance of Agreed Basic Statistics

The TSC made some progress in 1957 on the resolution of differences held by member agencies on rail transport statistics for Communist China.

CIA is continuing its work on the revision of agreed statistics, and the resolution of a few remaining differences, on the following countries.

Bulgaria . . . . .	Rail Transportation
Czechoslovakia . . . . .	Rail Transportation
East Germany . . . . .	Rail and Highway Transportation
Hungary . . . . .	Rail and Highway Transportation
Poland . . . . .	Rail and Highway Transportation
Rumania. . . . .	Rail Transportation

### 6. Projects Undertaken at the Request of the EIC or Proposed to the EIC

The following projects were undertaken at the request of the EIC:

- a. EIC 8 (WSEG) Research on this project, continued in Fiscal Year 1956, is still incomplete, except for the rail transportation

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section. The sections on the remaining forms of transport and requirements of the economy will be undertaken by the Transportation Capabilities Estimates Group upon completion of the revision of EIC R9S1.

- b. Revision of EIC R9S1. This project, "Capability of the Trans-Siberian Railroad and Connecting Lines in Manchuria and North Korea," has been completed in first draft. A final draft should be completed within a very short time.

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- c. NIE 13-57. The TSC discussed the current estimates in this project, "Chinese Communist Capabilities and Probable Course of Action." These discussions contributed to the preparation of an estimate by the IAC representatives on this subject.
- d. EIC R16. The TSC is now engaged in the coordination of a part of the overland transport section of this annual project, "Communist China's 1956 Trade and the Transport Involved."

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## 7. Intelligence Research Techniques

Members of the TSC have engaged in continuous discussion of research techniques to be used in preparation of the reports listed above. The four transport capability methodology working groups also continued their work during the year.

The Inland Waterway Group completed its draft "Methodology for Computing Inland Waterway Capabilities. This draft was accepted by the TSC and will be tested by TSC members. The paper has also been sent to US industry for testing and comment.

A preliminary draft of a paper on "Methodology for Computing Port Capacity," based on the factor method, has been completed by the Port Capacity Working Group, and is now being reviewed.

The TSC also discussed from time to time the general outline of the "Methodology for Computing Highway Capacity," which is being prepared by the Highway Working Group.

Work is continuing on a "Methodology for Computing Rail Capacity."

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8. Coordinating Functions of the TSC

These actions are typified by the activities discussed under items 6 and 7.

9. Evaluation of the Role of the Subcommittee

a. Realization of the Subcommittee's Potential

During Fiscal Year 1957 the TSC has made some progress in fulfilling its responsibility for the coordination of transportation intelligence produced by the US intelligence community. The assignments given to the Transportation Capabilities Estimating Group reflect an awareness of those areas in which the need for agreed intelligence estimates is acute. Publication of the product of this Estimating Group by the EIC should gradually narrow those areas in which the divergent views and approaches of the members of the TSC have heretofore precluded tangible accomplishment in the execution of TSC responsibilities.

The considerable progress made by the working groups on highway, inland waterway, port, and rail capacity should be beneficial to realization of TSC potential. The completion of agreed methodologies will reduce markedly, and help to eliminate, differences in final intelligence estimates made by members of the TSC.



b. Problems in Functioning of the Subcommittee

The first application of the Agreed Rail Capability Methodology by the Transportation Capability Estimates Group in the revision of R961 did not achieve the degree of success hoped for by the TSC. The application of the methodology resulted in a capability estimate for the Trans-Siberian Railroad which was considerably below a CIA estimate of the actual traffic flow on some sectors of the railroad (CIA/RR 82, 9 November 1956). Much time and research have gone into the resolution of this impasse and the problem is currently being analyzed by those members of the TSC whose representatives actually worked on the study. It is believed that the experience gained in the execution of the first application of the methodology will expedite the work of the Transportation Capability Group on future priority projects.

B. Future Program of the Subcommittee

1. The Subcommittee will continue to review foreign economic intelligence in the field of transportation and to identify priority deficiencies in the

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intelligence competence of the US Government. The Subcommittee will continue its work on the preparation of the following research and collection deficiencies:

USSR Collection

1. Merchant Shipping

USSR Research

1. Merchant Shipping

COMMUNIST CHINA Collection

1. Merchant Shipping
2. Highways
3. Inland Waterways

COMMUNIST CHINA Research

1. Merchant Shipping

EUROPEAN SATELLITES Research and Collection

1. Railroads
2. Highways
3. Inland Waterways
4. Merchant Shipping

2. The Subcommittee will continue its program for the completion of agreed basic statistics in accordance with EIC-D-77, September 1954.

3. The Subcommittee will continue its remaining work on the production of agreed methodologies for determining the capacity of rail and highway systems.

4. The Subcommittee will continue to review the activities of the Transportation Capabilities Estimating Group and attempt to find ways to make this a more effective working group for the elimination of priority research deficiencies.

5. The Subcommittee will attempt to improve procedures for the coordination of independent research programs carried on by its members, and to consider proposals for external research within the provisions of DCID 15/1.

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